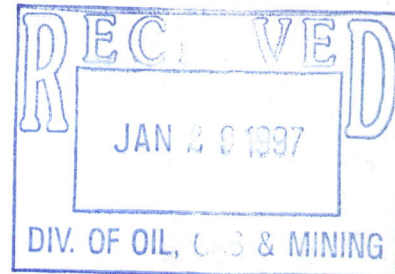


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) August 1995 To (mo./yr.) September 1996
 2. DOGM File Number (Mine No): S/023/039
 3. Mine Name: Lucky Harnet
 4. Mineral(s) Mined (or permitted to mine): Lead, Silver, Garnet
 5. Type of mine ☒ Surface Mine or ☐ Underground Mine
 6. Legal Description (Location of Lands Affected):
____ 1/4, N/W 1/4, Section 17, Township 11 S, Range 5 W
____ 1/4, S/W 1/4, Section 17, Township 11 S, Range 5 W
____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
 7. Name of Operator or Company: Darrell C. Holden
 8. Permanent Street Address: P.O. Box 11
City, State, Zip: Vernon - Utah 84080
Phone: _____
 9. Company Representative (or designated operator):
Name: Darrell C. Holden
Title: Designated operator
Business Address: P.O. Box 11
City, State, Zip: Vernon - Utah - 84080
Phone: 801-839-3464
- ☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☒ No ☐
2. If active, how much ore or mineral was mined? 1,000 lbs.

3. How much **additional acreage** was disturbed during the past year? None

4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

Nothing new

5. How much acreage was **reclaimed** during the past year? work is in progress

6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

Reasonable measures; re-seeding with drought resistant crested wheat grass seeds; put this on dump area; also motorcycle trails left by recreationists across our dump and drill areas; obviously BLM permits these people to tear the hillsides up and cause erosion - - -

7. What is the **total disturbed acreage** at years end? not more than one acre

8. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Keep same plan of operation as in past; develop existing pits and continue search for mineral and gemsets; mine any one uncovered. Maintain existing road/road any disturbed areas for reclamation purposes.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

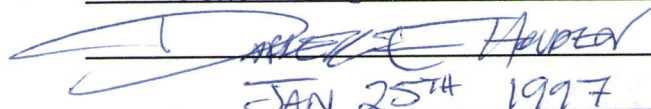
Name (Typed or Print):

DARRELL E. HOLDEN

Title of Operator:

OWNER OF CLAIMS

Signature of Operator:



Date:

JAN 25TH 1997